

Ted Stewart Executive Director State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

DIVISION OF OIL, GAS AND M. 1594 West North Temple, Suite 1210 Box 145801

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James W. Carter Division Director 801-359-3940 (Fax) 801-538-5319 (TDD)

September 30, 1996

CERTIFIED RETURN RECEIPT P 074 976 552

Gary L. Jacobson President San Rafael Energy, Incorporated P.O. Box 805 Moab, Utah 84532

Re:

Formal Approval of Form and Amount of Reduced Reclamation Surety, San Rafael Energy, Inc., Snow Mine, M/015/013: Four Corners Mine, M/015/014, Emery County, Utah

Dear Mr. Jacobson:

On September 25, 1996, the Board of Oil, Gas and Mining formally approved the form and amount of reduced reclamation surety for San Rafael Energy, Inc.'s Snow and Four Corners mines. The reclamation surety is in the form of a Certificate of Deposit (#564-900063-4) issued by Zions Bank. The \$2,000 surety will be retained by the Division until revegetation of the Snow and Four Corners mines is considered successful according to the minerals rules.

Enclosed please find the following items for your files: (1) copy of the fully signed and executed Reclamation Contract; (2) the original \$7,000 Savings Certificate #10805 which was held as surety for the Four Corners Mine; and (3) the two original reclamation contracts with the effective date of 11/30/89 for the Four Corners and the Snow mines.

Thank you for your patience in finalizing this surety reduction. Please notify us of the seeding of these partially reclaimed areas so we may schedule a site inspection if possible. Please call me if you have any questions in this regard.

Sincerely,

Anthony A. Gallegos

Senior Reclamation Specialist

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Enclosures: original CD #10805; 2-original RC's dated 11/30/89; new RC

: Neil Simmons, BLM, San Rafael RA

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